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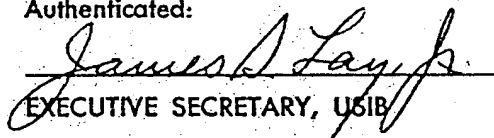
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## COMMUNIST MILITARY ASSISTANCE PROGRAMS IN LESS DEVELOPED AREAS

### CONCLUSIONS

A. Since 1955, the Soviet Union, China, and several East European states have, among them, extended roughly \$5.7 billion in arms aid to 22 non-Communist countries in Asia and Africa. The Soviets have provided about 90 percent of this total; the Chinese less than 2 percent.

B. The Soviets clearly consider military aid as a valuable instrument of policy. It is used to build positions of influence at the expense of the West, sometimes to undercut the Chinese, and to improve opportunities for access by Soviet forces, when desired, to ports, airfields, and other facilities.

C. In pursuing these objectives, the Soviets have encountered both success and failure. Partly as a consequence of military aid programs, Western influence has been eroded in many countries, and Moscow has won significant positions of influence in several important areas, notably the Middle East. Military aid has not, however, provided Moscow with strong or dependable control over client states or improved the fortunes of local Communist parties.

D. Conflict and instability in the Third World during the years ahead will probably provide the USSR with additional opportunities to dispense military aid. Since the Soviets have come to regard dealing in arms as one of the more effective instruments of their foreign policy, they are likely to continue to take up such opportunities. We doubt, however, that in the next several years these will be numerous or important enough to result in aid extensions at the high levels of the early 1960's.

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## DISCUSSION

### I. THE PATTERN OF COMMUNIST MILITARY AID PROGRAMS

1. Over the past dozen years or so the USSR, Communist China, and several Communist states of Eastern Europe have extended some \$5.7 billion in military aid to 22 non-Communist countries of Asia and Africa.<sup>1</sup> The overwhelming portion of this, about 90 percent, has been provided by the Soviet Union. Most of the recipients are former clients or colonies of the Western nations. Generally they are ruled by authoritarian regimes whose stability depends largely on national military forces, and they face major problems related to economic development and political stability. None possesses a technological and industrial base adequate to develop and supply its armed forces with the types of modern weapons they think they need.

#### A. The Soviet Role and Aims

2. The USSR is a relative newcomer to international arms trade; Western Powers had dominated the field before the Soviets initiated a program of their own. Under Stalin, the USSR's postwar policy gave priority to rebuilding the domestic economy and to consolidating the Soviet position in Eastern Europe. Moreover, Stalin's policy of supporting local Communist parties in the Free World apparently excluded the possibility of dealing with nationalist regimes, however anticolonialist. Following Stalin's death, however, the Soviet leadership radically altered its approach toward these political movements, abandoned its policy of lending support only to ideological clients, and inaugurated military and economic aid programs to non-Communist countries. This decision was probably facilitated by a number of factors: the general success of the USSR's postwar economic recovery effort; the availability of surplus arms as a consequence of military manpower reductions and changes in military doctrine during the mid-1950's; and the notable lack of success of indigenous Communist forces in many developing areas.

3. The new Soviet approach found its first expression in 1955 when the USSR, initially using Czechoslovakia as an intermediary, began arms shipments to Egypt. Over the years, the USSR has extended some \$5 billion in military aid to countries of the Third World. About half has gone to two countries, the UAR and Indonesia. Five others, Iraq, India, Syria, Afghanistan, and Algeria have received about 45 percent of the total, with the remainder going in small chunks to a number of states, primarily in Africa. The Soviets have usually offered liberal terms: flexible repayment arrangements, discount prices for the most part, and outright grants in a few cases.

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<sup>1</sup> This estimate deals with Communist military assistance to the countries of the Third World. It does not discuss Soviet and other aid programs to Communist states (e.g., North Vietnam, Cuba). See Table at Annex for quantities supplied to various recipients.

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4. Soviet military assistance is an important element of Soviet policy designed to increase Soviet (and decrease US) influence. It is often used as a means to gain entree into states which might otherwise be less susceptible to Soviet approaches. It sometimes helps to align "progressive" forces with Soviet foreign policy, and, occasionally, to maintain regimes in power favorable to the USSR. Moscow has in recent years also used its military aid program to pursue the additional objective of attempting to prevent the Chinese from extending their influence. In pursuit of such goals, the Soviets have not, as far as we know, turned down a single prospective client seeking their assistance, and have repeatedly shown that they can move rapidly to exploit new opportunities. They have, however, displayed some selectivity in setting terms and in determining the kinds and quantities of arms they will sell. In most cases, the clients themselves originally preferred other sources of supply, turning to the Soviets only after failing to get what they wanted elsewhere. And gradually, fears associated with taking arms from the Communist states have greatly diminished throughout the Third World.

5. The fact that Soviet arms offers have been made in widely dispersed areas suggests that military aid policy is not designed to implement a rigid plan, but to respond to opportunities, wherever they arise, to establish influence and presence. The opportunities which drew the Soviets into this activity in the mid-1950's were in the Middle East and thus could be viewed in the light of traditional Russian strategic interests. At the time, the Soviets evidently thought that they had reason to be concerned about the political-military position the US was establishing on the USSR's southern periphery, and their moves in that region were surely thought of as a counter to the US presence.

6. The USSR's use of military aid as one of the major tools of its diplomacy probably reflects its recognition that in most developing countries the military is either the actual or potential locus of power. The military establishment of the recipient country is the direct beneficiary of this aid and stands to gain most from it, and the Soviets have generally sought to encourage contact and rapport with military leaders. This has been facilitated by the presence of Soviet technical advisers, by the training of the recipient country's military personnel in the USSR, and by periodic exchange visits of high level military delegations.<sup>2</sup>

7. The Soviets have not used their aid programs to bargain for formal base rights. Generally, they appear to consider such arrangements as politically disadvantageous. They have acquired, however, the use of fuel storage facilities at Port Said and naval repair facilities at Alexandria to support their Mediterranean fleet operations. And recently, they also appear to have acquired managerial control of the Al-Kabbari ship construction and repair facility at Alexandria which is to build vessels for Soviet account. There is evidence, moreover, that they have staged combined air and naval intelligence operations using Egyptian facilities.

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<sup>2</sup> Since the start of their program, the Soviets have trained about 21,000 military personnel from the developing countries in the USSR. In recent years, the number of Soviet military advisory personnel serving in the recipient countries has averaged some 3,500 annually.

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Similar limited arrangement might be made elsewhere, as a peacetime convenience, but it is unlikely that present Soviet war plans contemplate extensive reliance on foreign facilities. To the extent that they have military interests in a recipient country, the Soviets' aims appear to be: to prevent military cooperation with the West; to seek the use of the recipient as a proxy for various initiatives against Western interests; and to improve opportunities for access by Soviet forces, when desired, to ports, airfields, and other facilities.

#### B. The Role of the East European Countries

8. The military aid programs of Communist countries of Eastern Europe have been modest and are likely to remain so for some time to come. Of the \$629 million in arms aid extended to the developing countries to date, nearly three-quarters was provided during the years 1955-1958, when East European countries were acting as intermediaries for the USSR. Since then, East European arms commitments have been considerably reduced, averaging some \$15-\$20 million annually. Even so, there is evidence that various East European countries have occasionally complained about having to participate in the Soviet military assistance program.

9. The major East European suppliers have been Czechoslovakia and Poland; the other Communist regimes have provided only token aid. The primary recipients have been Moscow's major clients, the Arab countries and Indonesia, and to a lesser extent, India and Afghanistan. Unlike the Soviets, the East European regimes, especially Czechoslovakia, have in recent years been interested in arms sales primarily for commercial reasons. Consequently, their credit terms have been more stringent than those offered by the USSR; they have insisted on shorter repayment periods, payment in hard currency, and have given no discount from list prices.

#### C. The Minor Chinese Role

10. Since 1958, the Chinese have extended some \$88 million in arms aid to the developing countries, probably much of it in the form of outright grants. This represents less than 2 percent of the military aid granted by all Communist states to Third World countries. Though the objectives of the Chinese aid program are broad—to build positions of influence at the expense of both the West and the USSR—the means available to the Chinese are limited, and their targets of opportunity have become fewer. Over the past decade, the Chinese have provided sizable amounts of arms to only 5 non-Communist countries: Algeria (before independence), Cambodia, Indonesia, Pakistan, and Tanzania. In addition, the Chinese have extended token assistance, primarily small arms, ammunition, and training, to several African countries and to dissident political groups in Africa and Asia.

11. The Chinese have to date achieved little of substance with their military aid programs. Their temporary success in Indonesia was almost entirely the result of Sukarno's excellent political rapport with the Peking leadership; since

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Sukarno's downfall, the Chinese have lost not only their arms investment but whatever influence they once had. Pakistan, which has received almost half of China's military aid, has recently shown a willingness to incur Chinese displeasure by seeking Soviet aid. Failures and partial setbacks are not likely to dissuade the Chinese from continuing with their military aid program, though still on a modest scale.

## II. THE IMPACT OF MILITARY AID

12. In reviewing the record to date, the Soviets probably regard it—as we do—as one of uneven achievement. To be sure, Western influence has been eroded in many countries; the Soviets have gained significant positions of influence in important areas—e.g., the Middle East—where they were not previously present; and in some instances, the Soviets can count on the support of their clients, particularly with respect to some issues which evoke international controversy. For instance, the USSR's intervention in Czechoslovakia was unequivocally denounced by only two Soviet arms recipients, Tanzania and Uganda. Other governments, more dependent on Soviet arms, stood silent or expressed their disapproval of the Soviet move in very muted terms. On the other hand, the military aid relationship has not provided the Soviets with strong or dependable control over clients, and the fortunes of local Communists have rarely improved as a result of an increased Soviet presence. Moreover, as a result of the Arab-Israeli war of 1967, they learned that a special relationship with military aid recipients can lead to risks of unwanted military involvement, possibly even direct confrontation with the US; diplomatic and prestige losses as a result of the defeat of their clients and the destruction of Soviet-supplied equipment; and the cost of replacing lost equipment and restoring a damaged relationship.

13. How much durable leverage the Soviets have gained in any particular area is, of course, difficult to measure. Still more difficult to ascertain is how much of any such gain can be attributed to arms shipments and how much to larger political considerations. Indonesia under Sukarno, for example, was a major recipient of Soviet arms and maintained good relations with the Soviets, but nonetheless went on to pursue foreign policies much more in line with Peking than Moscow. The Arabs have been more cooperative with the USSR on international issues, but they too before June 1967 periodically criticized Moscow for its foreign policies and for meddling in their affairs. India has many times deferred to the Soviets, but primarily because it counts on Soviet support against China. In general, the Soviets have been careful not to abuse the leverage afforded them through arms aid, and only very occasionally have they tried to use it to exact political concessions.

14. The Soviet military aid program has generated closer trade and economic relations with most of the recipients. Aid provisions frequently have called for repayment in commodities rather than hard currency, and this in turn has resulted in some trade reorientation from traditional markets to the USSR. The impact of Soviet arms aid on the economies of most aid recipients, however, has been

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comparatively modest, partly because of the terms associated with the aid and partly because of the limited payments thus far made. Roughly two-thirds of the credits extended by Moscow remain unpaid, and the Soviets probably expect in the end to write off much of this. In the meantime, they can perhaps win some additional political return by generous debt rescheduling. In any event, the existing indebtedness has not inhibited the USSR or its clients from entering additional arms agreements.

15. The Soviets may expect that by cultivating members of the recipient country's military establishment they can in time have major influence on the political orientation of the recipient, its policies, and perhaps even the choice of a successor regime. Any such expectations, however, are supported by few tangible successes. In fact, the Soviets have met with outright failures in several important instances. In Ghana, some of the military were fairly cooperative with Moscow for a time, but eventually turned out both the Soviets and Nkrumah. In Indonesia, the military was never very responsive to the Soviets despite its almost total dependence on them for arms. And in the UAR, the USSR continues to provide arms to a military establishment for whose political orientation, as well as professional quality, it appears to have no very high regard.

16. The Soviets probably never thought of military aid as an instrument which by itself could effect the revolutionary transformation they would like to see in Third World countries. Their experience of the last decade must confirm that an arms supply relationship gives no decisive influence over political developments within recipient countries. The internal politics of some recipients have been highly volatile. If anything, the Soviets are nowadays more cautious about using military aid as a way of becoming directly involved in internal affairs, with all the obligations and risks flowing from such attempts. If military aid buys influence, and, in particular, leverage on a recipient's foreign policy, the Soviets will think they have made a good bargain.

### III. PROSPECTS

17. The Soviets almost certainly intend to continue their military aid programs, which they must consider to have proved a useful tool of policy, and whose costs are relatively insignificant in terms of the USSR's resources. (The value of Soviet arms shipments to the developing countries last year was less than one percent of the USSR's defense budget.) The Soviets still appear to be willing to provide military aid wherever there is an opportunity to advance their interests or to establish their influence in new areas. They have recently agreed to furnish arms to South Yemen, Pakistan, and the Sudan, and have made offers to Jordan and Ethiopia. The uncertainties of domestic and regional politics in Africa will probably provide the Soviets with additional opportunities over the next several years. In Latin America, an area so far denied the Soviets, they may be expected to make limited arms offers, though the prospect of finding clients there seems rather remote.

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18. The Soviets will, we believe, place growing emphasis on certain geopolitical aspects of their military aid program. Over the years, they have devoted a large proportion of their arms effort to the countries along the USSR's southern perimeters. From the Soviet viewpoint, entry into some of those countries is made the more attractive since a few are members of Western alliances. Iran now receives Soviet arms, Pakistan may soon. The extension of arms offers to Pakistan, which has periodically been in conflict with two other Soviet recipients, Afghanistan and India, suggests that Moscow is willing to risk antagonizing other clients, and even to some extent involvement in regional disputes, if the political gains of so doing (in this instance the reduction of US *and* Chinese influence in an area near the USSR) appear especially promising.

19. By developing air and port arrangements with some recipients of their military aid, the Soviets have succeeded in providing support for their military presence in the Mediterranean and Red Sea areas. Such arrangements have a significant potential for further development and use. Ethiopia, Libya, Jordan, and Saudi Arabia, which have cooperated with the US and refused to except Soviet military aid or collaboration, have shown increasing concern over these developments and the pressures which they create.

20. A larger proportion of the military items which the Soviets furnish over the next several years will probably be relatively sophisticated equipment. The assortment of advanced conventional weapons (e.g., Mig-21 and SU-7 fighters, TU-16 medium-range bombers, guided missile patrol boats, and surface-to-air missiles) available to some existing clients will probably be made available to other recipients. About two-thirds of the weapons delivered by the Soviets to date are in standard use in the armed forces of the communist countries; more than half are being currently manufactured in the USSR. By contrast, until 1961, the Soviets generally supplied arms that were outdated by their standard.

21. Clearly, the costs of the Soviet arms program have increased in recent years, and may mount if the Soviets satisfy demands for more sophisticated weapons. We think it unlikely, however, that the USSR will be dispensing aid on the record scale of the early 1960's. The process of replacing the obsolescent equipment of existing clients is a gradual one. Moreover, the states that seem to be the most likely new clients of the USSR over the next year or two are small for the most part, and have limited needs for arms. Regional conflict involving a major Soviet client could, of course, result in appreciable increases in supply activity, as did the Arab-Israeli war last year.

22. The instability and conflict which are likely to characterize the Third World during the years ahead will provide the Soviets with additional opportunities. The reluctance of most Western Powers to provide arms, coupled with the competitive desire of many of the developing nations to obtain them, add up to a favorable arms market for the Soviets. Not all the various conflict situations will be exploitable by the USSR. Some, however, will be. Thus, we believe that the Soviets will continue to provide military assistance to a fairly large number of noncommunist countries.

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23. A major change in the Soviet approach to East-West relations and the adoption of regional arms control agreements affecting the Third World would, of course, alter this judgment. Neither appears to be in sight. For some time, Soviet policy is likely to be based on the premise that the Third World constitutes a theater of competition between Soviet and Western influence, and that arms supply is one of the important instruments for waging that struggle. There may be areas, e.g., the Middle East, where the Soviets might think it prudent to seek tacit understanding to limit the intensity of competitive arming. But it seems unlikely that they will wish to join formally with the US in an effort to limit the quantities of arms acquired by less developed countries.

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## ANNEX

### COMMUNIST MILITARY ASSISTANCE TO THE LESS DEVELOPED COUNTRIES, BY RECIPIENT, 1955-JUNE 1968\*

Recipient	TOTAL	USSR	Million US \$	
			Eastern Europe	Communist China
Afghanistan .....	359	346	13	—
Algeria .....	248	235	1	12
Cambodia .....	20	12	—	8
Congo (Brazzaville) .....	2	2	—	—
Cyprus .....	29	28	1	—
Ghana .....	10	10	—	—
Guinea .....	11	10	1	—
India .....	643	595	48	—
Indonesia .....	1,336	1,116	199	21
Iran .....	110	110	—	—
Iraq .....	675	653	22	—
Mali .....	4	4	—	—
Morocco .....	33	13	20	—
Pakistan .....	40	—	—	40
Somalia .....	35	35	—	—
South Yemen .....	n.a.	—	—	—
Sudan .....	20	20	—	—
Syria .....	457	402	55	—
Tanzania .....	9	2	—	7
Uganda .....	12	10	2	—
United Arab Republic .....	1,549	1,310	239	—
Yemen .....	98	70	28	—
TOTAL .....	5,700	4,983	629	88

\* In addition, through 1967, the USSR made cash sales of military equipment to India (\$102 million), Indonesia (\$11 million), and Nigeria (\$5 million); the East European countries have made cash sales to Afghanistan (\$3 million), India (\$6 million), Indonesia (\$19 million), Nigeria (\$2 million), Syria (\$2 million), the UAR (\$50 million), and Yemen (\$3 million).

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